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Contract

ENHT - New Main Entrance

East and North Hertfordshire NHS Trust

UK7: Contract details notice - Procurement Act 2023 - view information about notice types

Notice identifier: 2025/S 000-048477

Procurement identifier (OCID): ocds-h6vhtk-0559dd (view related notices)

Published 13 August 2025, 3:23pm

Scope

Reference

C362015

Description

East and North Hertfordshire Teaching NHS Trust ("ENHT") has entered into a Licence for Alterations to a Ground Lease dated 31 March 2025, and Agreement for Lease with Noviniti Dev Co 11 Ltd ("Noviniti") in respect of land at Lister Hospital, Coreys Mill Lane, Stevenage ("the Hospital") which has been identified by Noviniti as the site of a proposed building comprising a new main entrance with ground floor retail and circulation space with two upper floors of office and administration space ("the Potential Development"). A voluntary ex ante transparency notice with reference 2024/S 000-041147 was published by ENHT on 20 December 2024 in respect of the Ground Lease and the Potential Development.

Following the grant of the Ground Lease, which will run for a term of 40-45 years subject to earlier break rights, ENHT has entered into a Licence for Alterations and an Agreement for Lease. The Licence for Alterations permits the Potential Development.

Under the Agreement for Lease, Noviniti is not obliged to carry out the Potential Development, but if it does not ENHT may terminate the Ground Lease which contains a break right for ENHT if Noviniti does not commence any works by an agreed deadline. Noviniti and ENHT have entered into a Deed of Variation to add a break right to the Ground Lease if the works are started but not completed by an agreed date.

If Noviniti completes the construction of the Potential Development Compass Contract Services (UK) Limited ("Compass") is to accept an Operator Lease for a term of 40 years with break rights. In the event that Compass exercises a break right ENHT must accept a Trust Occupational Lease of the premises for the remaining term.

On completion of the Potential Development Noviniti and the Trust will enter into a further Deed of Variation to vary the terms of the Ground Lease.

There is provision for EHT to accept a direct lease of the retail space from Noviniti in place of the Operator Lease if Compass does not enter into the Operator Lease and also for ENHT to accept an Overriding Lease to become a direct tenant of Noviniti if Compass defaults during the term of the Operator Lease.

Compass is to grant ENHT leases of the first floor, second floor and structure and common parts of the Potential Development.

Novinti will also carry out works to an area of the existing hospital buildings and once these works are completed ENHT will grant leases of two retail units to Compass for a term of 40 years. In the event Compass exercises a break right in the Operator Lease these leases will determine.

ENHT also anticipates entering into a Deed of Covenant with Compass which will contain provisions relating to sharing of surplus turnover and reimbursement in defined circumstances for shortfall.

Noviniti is under no obligation to serve notice to elect to carry out any works. No public works contract arises due to the lack of an enforceable obligation and Noviniti is entitled to "walk away" without delivering any works. In the event that Noviniti opts to carry out any works, the value of the contract is expected to be between £9,500,000 (excluding VAT) and £11,200,000 (excluding VAT).

Following completion of the Ground Lease, Noviniti has an exclusive right to undertake any works until such time as the ENHT break right under the Ground Lease becomes capable of exercise. As such, the justification for direct award set out in Schedule 5, paragraph 5(a) applies. ENHT also considers that the arrangements constitute "an exempted contract" for the purposes of the Procurement Act 2023 being contracts for the acquisition and interests or rights in respect of land or buildings and/or which concern interests or rights over land or buildings, in accordance with Schedule 2, Part 2,

paragraph 8 of the Procurement Act 2023.

The arrangements referenced in this Notice were the subject of a Transparency Notice published on 07/07/2025 - Notice Reference 20250707-000001. The details quoted in the Transparency Notice as to Contract Value and Contract Start Date and Contract end date have been superseded and the correct details are those referenced in the Contract Award Notice 20250716-000001 published 16/07/2025

Although the contract value exceeds £5m, a copy of the contract documents will not be published on the grounds that the exemption set out in section 94(1)(b) of the Procurement Act 2023 applies and that the information contained is sensitive commercial information and there is an overriding public interest in its being withheld from publication. In particular, the information in question is information that would be likely to prejudice the commercial interests of any person if it were published or otherwise disclosed, as referred to in section 94(2) of the Procurement Act 2023

Contract 2. ENHT - New Main Entrance

Supplier

• Noviniti Dev Co 11 Limited

Contract value

- £10,700,000 excluding VAT
- £12,840,000 including VAT

Above the relevant threshold

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12 August 202	5
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Contract dates

- 13 August 2025 to 30 March 2070
- 44 years, 7 months, 18 days

Main procurement category

Works

CPV classifications

• 45000000 - Construction work

Other information

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Direct award

Direct award justification

- Single supplier intellectual property or exclusive rights
- Single supplier technical reasons

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Supplier

Noviniti Dev Co 11 Limited

Public Procurement Organisation Number: PVRL-4598-ZWVM

Unit 2, Newby Stables, Newby Hall

Ripon

HG4 5AE

United Kingdom

Telephone: 01423 593819

Email: info@noviniti.co.uk

Website: https://noviniti.co.uk/

Region: UKE22 - North Yorkshire CC

Small or medium-sized enterprise (SME): No

Voluntary, community or social enterprise (VCSE): No

Supported employment provider: No

Public service mutual: No

Contract 2. ENHT - New Main Entrance

Contracting authority

East and North Hertfordshire NHS Trust

• Public Procurement Organisation Number: PRMV-5612-HMQT

Lister Hospital, Coreys Mill Lane

Stevenage

SG1 4AB

United Kingdom

Email: amy.richardson@nhs.net

Website: https://www.enherts-tr.nhs.uk

Region: UKH23 - Hertfordshire

Organisation type: Public authority - central government